

7/7/2018

LEASE AGREEMENT

CHEVROLET



Lease Date:

WITH ARBITRATION PROVISION

Lessor Name and Business Address	Lessee Name and Address	Co-Lessee Name and Address
Martens Chevrolet 10501 Street REEDLEY, CA 93854	MARTENS CHEVROLET INC. LSR 345 G STREET REEDLEY, CA 93854 County: FRESNO	CITY OF REEDLEY LSE 345 G STREET REEDLEY, CA 93854 County: FRESNO

Lessee Billing Address (if different than above)	Vehicle Garaging Address (if different than above)
	Principal Driver: (if business use) County:

In this Lease, "you" and "your" mean the lessee and co-lessee. "We," "us," and "our" mean the lessor, and any assignee of this Lease. The terms, conditions, and disclosures in this Lease govern your Lease with us. Each of you who signs the Lease is jointly and severally liable to us for all Lease obligations. You are leasing the Vehicle described below (the "Vehicle") from us. You agree to pay all amounts due under the Lease and fulfill all your obligations under the Lease. In this Lease, "e" means an estimate. The Consumer Leasing Act Disclosures shown below are also terms of this Lease. You are leasing the Vehicle and have no ownership rights in the Vehicle unless you exercise your purchase option.

Monthly Payment Lease: If your payment schedule shows monthly scheduled payments in Item 3A, your lease is a monthly payment lease.

Single Payment Lease: If your payment schedule shows a single scheduled payment in Item 3B, your lease is a single payment lease.

1. The Vehicle						
New/Used	Year	Make	Model	Body Style	Vehicle ID #	Odometer
Used	2018	CHEVROLET	Trax	4 Door Wagon	KLTCJKS87GB550381	3,238
						Primary Use: <input checked="" type="checkbox"/> Personal, unless otherwise indicated below <input type="checkbox"/> business <input type="checkbox"/> agricultural

CONSUMER LEASING ACT DISCLOSURES			
2. Amount Due at Lease Signing or Delivery (Itemized in Item 6)	3. Scheduled Payments	4. Other Charges (not part of your scheduled payment)	5. Total of Payments (The amount you will have paid by the end of the Lease)
	A. Your first monthly payment of \$ <u>200.00</u> is due on <u>7/7/2018</u> , followed by payments of \$ <u>200.00</u> due on the <u>1st</u> of each month. B. Your single payment of \$ <u>N/A</u> is due on <u>N/A</u> . C. The Total of your Scheduled Payments is \$ <u>4,600.00</u> .	A. Disposition fee (if you do not purchase the Vehicle and we do not waive the fee under Item 23(f)) \$ <u>0.00</u> . B. \$ <u>N/A</u> . C. \$ <u>N/A</u> . D. Total \$ <u>0.00</u> .	\$ <u>4,600.00</u> (2 * 3C + 4D - 6A3 - 6A4 - 6A5)

6. Itemization of Amount Due at Lease Signing or Delivery	
A. Amount Due at Lease Signing or Delivery:	B. How the Amount Due at Lease Signing or Delivery will be paid:
1. Capitalized cost reduction \$ <u>200.00</u>	1. Net trade-in allowance \$ <u>N/A</u>
2. Taxes on capitalized cost reduction \$ <u>200.00</u>	2. Rebates and noncash credits \$ <u>0.00</u>
3. First monthly payment \$ <u>N/A</u>	3. Amount to be paid in cash \$ <u>0.00</u>
4. Single scheduled payment \$ <u>N/A</u>	4. Other \$ <u>N/A</u>
5. Refundable security deposit \$ <u>N/A</u>	5. Total \$ <u>0.00</u>
6. Lease acquisition fee \$ <u>0.00</u>	
7. Vehicle license fees \$ <u>0.00</u>	
8. Registration, transfer, and titling fees \$ <u>N/A</u>	
9. Sales/use tax \$ <u>0.00</u>	
10. Document processing charge (not a governmental fee) \$ <u>0.00</u>	
11. Electronic vehicle registration or transfer charge (not a governmental fee) \$ <u>0.00</u>	
12. California tire fee \$ <u>0.00</u>	
13. \$ <u>N/A</u>	
14. \$ <u>0.00</u>	
15. Total \$ <u>0.00</u>	

7. Your scheduled payment is determined as shown below:	
A. Gross capitalized cost. The agreed upon value of the Vehicle (\$ <u>13,862.00</u>) and any items you pay over the Lease term (such as service contracts, insurance, and any outstanding prior credit or lease balance).	\$ <u>13,862.00</u>
B. Capitalized cost reduction. The amount of any net trade-in allowance, rebate, noncash credit, or cash you pay that reduces the gross capitalized cost.	\$ <u>200.00</u>
C. Adjusted capitalized cost. The amount used in calculating your base scheduled payment.	\$ <u>14,062.00</u>
D. Residual value. The value of the Vehicle at the end of the Lease used in calculating your base scheduled payment.	\$ <u>9,268.00</u>
E. Depreciation and any amortized amounts. The amount charged for the Vehicle's decline in value through normal use and for other items paid over the Lease term.	\$ <u>4,794.00</u>
F. Rent charge. The amount charged in addition to the depreciation and any amortized amounts.	\$ <u>0.00</u>
G. Total of base scheduled payments. The depreciation and any amortized amounts plus the rent charge.	\$ <u>4,794.00</u>
H. Lease payments. The number of payments in your Lease.	<u>20.00</u>
I. Base scheduled payment.	\$ <u>0.00</u>
J. Sales/use tax (e).	\$ <u>N/A</u>
K. \$ <u>N/A</u>	\$ <u>N/A</u>

11. Total Scheduled Payment.

Early Termination. You may have to pay a substantial charge if you end this Lease early. The charge may be up to several thousand dollars. The actual charge will depend on when the lease is terminated. The earlier you end the Lease, the greater this charge is likely to be.

8. Excessive Wear and Use. You may be charged for excessive wear based on our standards for normal use and for mileage in excess of 15000 miles per year at the rate of \$ 0. per mile.

9. Purchase Option at End of Lease Term. You have an option to purchase the Vehicle at the end of the Lease term for \$ 0.00 plus a purchase option fee of \$. The purchase option price does not include official fees such as those for taxes, tags, licenses and registration.

10. Other Important Terms. See your Lease documents for additional information on early termination, purchase options, maintenance responsibilities, warranties, late and default charges, insurance, and any security interest, if applicable.

11. Itemization of Gross Capitalized Cost

A. Agreed upon value of the Vehicle as equipped at Lease signing \$ 15,308.00
B. Agreed upon value of each accessory and item of optional equipment we agree to add to the Vehicle after Lease signing (describe)
\$
\$
\$
\$
C. Vehicle license fees \$
D. Registration, transfer, and titling fees \$
E. Lease acquisition fee \$
F. Sales/use tax \$

G. Document processing charge (not a governmental fee) \$ N/A
H. Electronic vehicle registration or transfer charge (not a governmental fee) \$ N/A
I. California tire fee \$ N/A
J. Prior Credit or Lease Balance \$ 0.00
Optional Products and Services:
K. \$ N/A
L. \$ N/A
M. \$ N/A
N. \$ N/A
O. \$ N/A
P. \$ N/A
Q. Total Gross Capitalized Cost: \$ 15,308.00

12. The Trade-In Vehicle

Year
Make
Model

A. Agreed Upon Value of Trade-In \$ N/A
B. Prior Credit or Lease Balance - \$ N/A
C. Net Trade-In Allowance (If less than 0 then enter 0) = \$ 0.00

IF YOU DO NOT MEET YOUR OBLIGATIONS UNDER THIS LEASE, WE MAY RETAKE THE VEHICLE.

13. Official Fees and Taxes. The total amount you will pay for official and license fees, registration, title, and taxes over the term of your Lease, whether included in your scheduled payments or assessed otherwise: \$ (e). The total fees and taxes you pay may be different than this estimate based on changes in the tax or fee rates and the value of the Vehicle when the fee or tax is determined.

14. Late Payments. For any payment not received within 10 days of the date it is due, you will pay a late charge of: the lesser of \$25 or 5% of the unpaid portion of the late payment.

You will not have to pay a late charge if the only amount that is late is a late charge you owed for an earlier late payment.

15. Returned Payments and Unpaid Fines and Fees. You will also pay a returned payment charge of \$ for any check, instrument or electronic funds debit that is returned unpaid for any reason, if the law allows it. If you don't pay a fine, penalty, toll, or parking ticket and we elect to pay it, you will reimburse us for the amount paid plus a \$ Administrative Fee per incident, if the law allows it.

16. Warranties. The Vehicle is subject to the manufacturer's standard warranty, unless this box is checked: ☐

☐ If this box is checked, the Vehicle is subject to the following express warranties:

Warranty papers that are separate from this Lease state any coverage limits.

The law gives you a warranty that the Vehicle conforms to the description in this Lease. THERE ARE NO OTHER EXPRESS WARRANTIES ON THE VEHICLE.

Except as provided above or prohibited by law, the following two sentences apply. THE VEHICLE IS BEING LEASED 'AS IS' AND 'WITH ALL FAULTS', AND THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE VEHICLE IS WITH YOU. SHOULD THE VEHICLE PROVE DEFECTIVE FOLLOWING DELIVERY PURSUANT TO THIS LEASE, YOU, NOT THE LESSOR, ASSUME THE ENTIRE COST OF ALL NECESSARY SERVICING OR REPAIR.

If the Vehicle is subject to the manufacturer's standard warranty, if we make a written warranty covering the Vehicle or, within 90 days of the Lease Date we enter into a service contract covering the Vehicle, this disclaimer will not affect any implied warranties during the term of the warranty or service contract.

17. OPTIONAL PRODUCTS AND SERVICES

You are not required to buy any of the following optional products and services to enter into the Lease. The term of any product or service will be the Lease term, unless a different term is shown below. If you decide you want to purchase an optional product or service, review the terms of the contract that describe the product or service before you initial below. A completed copy of the contract will be given to you as soon as practicable. By initialing below, you indicate that you want to buy the optional products and services indicated. If the cost shown below is not shown as part of the Itemization of Amount Due at Lease Signing or Delivery (Item 6), it has been added to the Gross Capitalized Cost (Item 7A).

Optional Product or Service	Coverage	Price	Name of Provider	Approval
				Lessee Initials
				Lessee Initials
				Lessee Initials
				Lessee Initials

18. TYPES AND AMOUNTS OF REQUIRED INSURANCE COVERAGE

You must maintain: Bodily Injury Coverage with \$ 100,000 / \$ 300,000 limits; Property Damage Coverage with \$ 50,000 / \$ 500,000 limits or combined single limit; Collision, Fire, Theft and Comprehensive Coverage with a maximum deductible of \$ 1,000. See Item 23(a) for additional insurance provisions. You confirm that insurance policies that meet the requirements described in this Lease are in force on the date of this Lease as follows:

Insurance Company Name Insurance Agency Name
Agency Address Agency Phone Number
Agent's Name Policy Number
Deductibles: Collision \$ Comprehensive \$

19. SCHEDULED LEASE END AND LEASE TERM

20. HOW THIS LEASE CAN BE CHANGED

19. SCHEDULED LEASE END AND LEASE TERM

A. This Lease is scheduled to end on a date determined as follows: (1) If the date of this Lease is the 29th, 30th, or 31st of the month, start with the 1st day of the month immediately following the date of this Lease and move forward by the number of months in the lease term (Item 19B); or (2) If the date of this Lease is not the 29th, 30th, or 31st of the month, start with the date of this Lease and move forward by the number of months in the lease term (Item 19B).

B. The scheduled lease term is _____ months.

20. HOW THIS LEASE CAN BE CHANGED

This Lease contains the entire agreement between you and us relating to this Lease. Any change to the Lease must be in writing and both you and we must sign it. No oral changes are binding.

Lessee Signs X _____

Co-Lessee Signs X _____

NOTICE: THE OTHER SIDE OF THIS LEASE CONTAINS IMPORTANT TERMS AND CONDITIONS, INCLUDING AN ARBITRATION PROVISION.

Agreement to Arbitrate: By signing below, you agree that, pursuant to the Arbitration Provision on the reverse side of this Lease, you or we may elect to resolve any dispute by neutral, binding arbitration and not by a court action. See the Arbitration Provision for additional information concerning the agreement to arbitrate.

Lessee Signs X _____

Co-Lessee Signs X _____

Lessor's Right to Cancel. If Lessor is unable to assign this Lease to a financial institution, the provisions of the Lessor's Right to Cancel section on the back giving the Lessor the right to cancel will apply.

THERE IS NO COOLING OFF PERIOD

California law does not provide for a "cooling off" or other cancellation period for vehicle leases. Therefore, you cannot later cancel this lease simply because you change your mind, decided the vehicle costs too much, or wish you had acquired a different vehicle. You may cancel this lease only with the agreement of the lessor or for legal cause, such as fraud.

Notice is hereby given that the rights, but not the obligations, of _____ to purchase and/or sell the asset described in this Lease have been assigned to _____ pursuant to an agreement between _____ and _____.

(1) Do not sign this lease before you read it or if it contains any blank spaces to be filled in; (2) You are entitled to a completely filled in copy of this lease; (3) Warning - Unless a charge is included in this lease for public liability or property damage insurance, payment for that coverage is not provided by this lease.

YOU AGREE TO THE TERMS OF THIS LEASE. YOU ACKNOWLEDGE YOU HAVE EXAMINED THE VEHICLE, THAT THE VEHICLE IS EQUIPPED AS YOU WANT, AND THAT IT IS IN GOOD CONDITION. YOU ACCEPT THE VEHICLE FOR ALL PURPOSES OF THE LEASE. YOU UNDERSTAND THAT YOU HAVE NO OWNERSHIP RIGHTS IN THE VEHICLE UNLESS YOU EXERCISE YOUR OPTION TO PURCHASE THE VEHICLE. YOU CONFIRM THAT BEFORE YOU SIGNED THIS LEASE, WE GAVE IT TO YOU, AND YOU WERE FREE TO TAKE IT AND REVIEW IT. YOU ACKNOWLEDGE THAT YOU READ BOTH SIDES OF THIS LEASE, INCLUDING THE ARBITRATION PROVISION ON THE REVERSE SIDE (ITEM 24), BEFORE SIGNING BELOW. YOU CONFIRM THAT YOU RECEIVED A COMPLETELY FILLED-IN COPY WHEN YOU SIGNED THIS LEASE.

LESSEE SIGNATURES

Lessee Signature _____

Date _____

Co-Lessee Signature _____

Date _____

Type/Print Lessee Name _____

Type/Print Co-Lessee Name _____

COMMERCIAL LESSEE SIGNATURE

Commercial Lessee _____

Date _____

By _____

Type/Print Name _____

Type/Print Title _____

LESSOR'S ACCEPTANCE

The Lessor's authorized signature indicates the Lessor has accepted the terms, conditions and obligations of this Lease.

Lessor Name: _____

Lienholder Name: WELLSFRGO AS CTL AGT

Assignee Name: ACAR Leasing Ltd.

By: _____

Type/Print Name: _____

Type/Print Title: _____



FORM NO. GMF-UCL-CA (REV. 8/15)

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LESSEE COPY

23. OTHER TERMS AND CONDITIONS

(a) Insurance. For the duration of the Lease term, and until you return the Vehicle, you agree to maintain the amounts and types of primary insurance as indicated in Item 18 on the front of this Lease in your name. Insurance may be obtained by you from anyone.

Definition of Fair Market Wholesale Value: Unless you exercise your independent appraisal right (see below), the Fair Market Wholesale Value of the Vehicle is the value of the Vehicle as specified in the then current issue of the Kelley Blue Book Auto Market Report, or, under all other circumstances, the higher of (1) the price we receive for the Vehicle at disposition or (2) the amount you and we agree in writing.

Definition of Unused Base Scheduled Payment (Single Payment Lease): The Unused Base Scheduled Payment equals: (i) the item 71 Base Scheduled Payment, divided by (ii) the number of months in the Lease Term (item 19B); times (iii) the number of full months remaining after the date of the early termination until the Scheduled Lease End (item 19A).

Your Independent Appraisal Right: To the extent your early termination liability takes into account the value of the Vehicle at termination, you may get a professional appraisal of the Vehicle's fair market wholesale value. If you do so within a reasonable time, we will use the Vehicle's fair market wholesale value. The appraiser must be an independent third party. You and we must agree on the appraiser. You must pay for any appraisal. The appraisal will be binding.

calculations are based on the assumption that the Lease goes to its full term.

(i) the item 7C Adjusted Capitalized Cost, minus (ii) the item 71 Base Scheduled Payment, plus (iii) all rent charges accrued during previous periods. The rent charge at any given time during the Lease term, the "Balance Subject to Rent Charge" equals: Lease times the Balance Subject to Rent Charge as it increases during the Lease term.

Under the "Constant Yield Method" the rent charge for each monthly period is earned in advance by multiplying the constant rent implicit in this rent charge for each month. We use the Constant Yield Method to figure the rent charge for each month.

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(b) Giving Notice. Notices may be given personally or sent by first class mail. Notice mailed to losing them.

(c) Waiver. We may delay or refrain from enforcing any of our rights under this Lease without inspection. Upon reasonable notice to you, at any reasonable place and time we choose we may inspect this Vehicle and you agree to cooperate with such inspection.

(d) Inspection. Upon reasonable notice to you, at any reasonable place and time we choose we may inspect this Vehicle and you agree to cooperate with such inspection.

(e) Ownership. We are the sole owners of the Vehicle including original accessories and any receive all benefits of ownership. We have not given you any information or advice regarding possible tax consequences under this Lease.

(f) Assignment and Transfer of the Vehicle. You may not assign the Lease or transfer the Vehicle without our prior written permission. We may assign all of our rights under this Lease. Any person to whom this Lease is assigned may reassign it. Any sale and assignment by us will not be considered to change materially your duties, burden, or risk under this Lease.

(g) Important Note: Federal law requires you to tell us the Vehicle's mileage in connection with a transfer of Vehicle ownership. You may be fined and/or imprisoned if you do not complete the disclosure or if you make a false statement.

(h) Your Odometer Obligations. You will maintain the odometer of the Vehicle so that it always reflects the Vehicle's actual mileage. If the odometer is at any time inoperable, you will provide us with reasonable evidence of the Vehicle's actual mileage. If you are unable to do so, you will pay us our reasonable estimate of any reduction of the Vehicle's fair market value caused by the inability to determine the Vehicle's actual mileage. You will provide us with an odometer certification at any time we request one. We may request more than one certification during the term of this Lease.

(i) Important Note: Federal law requires you to tell us the Vehicle's mileage in connection with a transfer of Vehicle ownership. You may be fined and/or imprisoned if you do not complete the disclosure or if you make a false statement.

FOR DEPARTMENT USE ONLY

CASHIER DATE LINE STAMP

DATE SOLD (MO./DAY/YR.) 7/1/2016		DATE OPERATED (MO./DAY/YR.) 7/1/2016		NRM/IND	
MAKE CHEVROLET	YEAR MODEL 2016 Trax	BODY TYPE 4 Door Wag	MOTIVE POWER Gasoline/E	NUMBER OF AXLES 2	UNLADEN WEIGHT
VEHICLE IDENTIFICATION NUMBER KL7CJCSB7GB550361			MOTORCYCLE ENGINE NUMBER OR ADDITIONAL IDENTIFICATION NUMBER		
LAST REGISTERED IN STATE OF			YEAR REGISTERED	LICENSE NUMBER	COUNTY OF RESIDENCE FRESNO
IF REVIVED JUNK OR SALVAGE—DISMANTLER NOTICE OF ACQUISITION NUMBER					GVWR (PICKUPS ONLY)
SOLD TO: PRINT TRUE FULL NAME AS IT APPEARS ON THE DRIVER LICENSE OR ID CARD IN THE ORDER SHOWN BELOW (1) MARTENS CHEVROLET INC., LSR.					DRIVER LICENSE/ID CARD NO.
<input type="checkbox"/> AND <input checked="" type="checkbox"/> OR (2) CITY OF REEDLEY, LSE..					DRIVER LICENSE/ID CARD NO.
BUSINESS OR RESIDENCE ADDRESS 845 G STREET			APT./STE. NO.	CITY REEDLEY	STATE CA ZIP CODE 9365
MAILING ADDRESS—IF DIFFERENT FROM ABOVE OR LOCATION (FOR TRAILER COACH/VESEL)			APT./STE. NO.	CITY	STATE ZIP CODE
DEALER'S NAME Martens Chevrolet			SIGNATURE OF AUTHORIZED AGENT <i>David Kimbly</i>		
ADDRESS 1050 I Street			CITY REEDLEY		
DEALER'S NUMBER 00939			SALESPERSON'S NUMBER (IF OWNER, WRITE "OWNER") 5970638		
SIGNATURE OF PURCHASER(S) (1) X <i>[Signature]</i>			(2) X <i>[Signature]</i>		

REMINDERS TO PERSONS PREPARING THIS REPORT

1. Use these reports in numerical sequence.
2. Purchaser **must** sign Report of Sale.
3. Make sure Used Vehicle Dealer Notice/Temporary Identification is affixed to the vehicle before delivery.
4. When necessary to void a Report of Sale, refer to instructions enclosed in the Report of Sale package.
5. Vehicle must have two license plates affixed (except motorcycles and trailers). If one or both license plates are missing, refer to the *Vehicle Industry Registration Procedures Manual*, available at www.dmv.ca.gov, for instructions on obtaining replacement license plates.